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CENTRAL INTELLIGENCE AGENCY

3 June 1960

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Memor

MEMORANDUM FOR THE DIRECTOR

SUBJECT: Short Term Prospects for Iran

1. In NIE 34-60, "The Outlook for Iran", dated 16 February 1960, we estimated that a coup attempt might take place at any time in Iran. However, we concluded that the chances were against such an attempt in the near future unless the Shah should die or key military leaders should come to feel that the Shah's regime was lost. We added that a coup attempt could be triggered by civil disturbances which threatened public order.

2. We believe these estimates are still valid. The Turkish coup has resulted in increased unrest in Iran -- as did the Pakistani and Iraqi upheavals. This will almost certainly continue. However, we think that, for the next month or so, the odds are against a repetition in Tehran of the developments in Ankara. By tradition and training Iranian military leaders -- even those who

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are discontented with the Shah -- are reluctant dragons. The Iranian officer corps does not possess the unity and sense of public responsibility that characterize the Turkish and Pakistani officer corps. Most officers are probably reluctant to undertake the risks involved in a coup attempt. More importantly, there is at the moment no clear cut national issue in Iran (e.g., rigged elections or unusual instances of repression) to provoke mass public outbursts such as preceded the takeovers in Korea and Turkey.

3. Nonetheless, the atmosphere is volatile. Political and economic dissatisfaction with the Shah's regime is widespread. A small outburst from any source could be contagious even in the absence of a specific issue. An issue might be provided if the Shah is too heavy-handed in rigging the parliamentary elections which he apparently plans for July. In general, we believe that if widespread public disturbances got underway, the Shah's chances of surviving would not be good, even if the disturbances were sustained only for a short time. Finally, some of the military and security leaders upon whom the burden of suppressing agitation would fall might decide that the opportunity was right to attempt a coup.

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4. While the Shah professes that the upheavals in neighboring countries merely prove how stable Iran is, he can hardly be unaware of the impact of these coups on his own people. He may be inspired to permit a little greater freedom in the elections than he had previously planned, although he still apparently intends to ensure the return of his chosen party to power. There have been indications that under the urging of his more enlightened advisers he now intends to allow the post-election cabinet more scope in internal affairs and to reduce his own role in the day-to-day running of the government. If in fact he carries through some reform measures, he may be able to reduce popular dissatisfaction a little or at least direct it away from his own person. On the basis of past performance, we think the odds are against his fulfilling more than a small proportion of his good intentions.

FOR THE BOARD OF NATIONAL ESTIMATES:

ABBOT SMITH
Acting Chairman

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